

Soil Conservation Commission

Analyst: Houston

Historical Summary

OPERATING BUDGET	FY 2005 Total App	FY 2005 Actual	FY 2006 Approp	FY 2007 Request	FY 2007 Gov Rec
BY FUND CATEGORY					
General	3,821,000	3,839,700	4,183,200	4,678,400	4,243,700
Dedicated	152,600	71,800	172,000	181,600	254,100
Federal	498,300	506,800	504,700	507,900	505,100
Total:	4,471,900	4,418,300	4,859,900	5,367,900	5,002,900
Percent Change:		(1.2%)	10.0%	10.5%	2.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,396,800	1,319,800	1,652,000	1,636,000	1,593,000
Operating Expenditures	1,150,100	1,099,000	1,282,900	1,375,800	1,375,800
Capital Outlay	0	46,900	0	162,500	72,500
Trustee/Benefit	1,925,000	1,952,600	1,925,000	2,193,600	1,961,600
Total:	4,471,900	4,418,300	4,859,900	5,367,900	5,002,900
Full-Time Positions (FTP)	21.00	21.00	24.00	24.00	24.00

Division Description

The legislature transferred the Soil Conservation Commission from the Department of Lands to the Department of Agriculture effective July 1, 1997. The Commission's five members are appointed to staggered five-year terms by the Governor to assist the 51 Soil Conservation Districts (SCDs), Idaho Code, §22-2718. The objectives of the Commission are to:

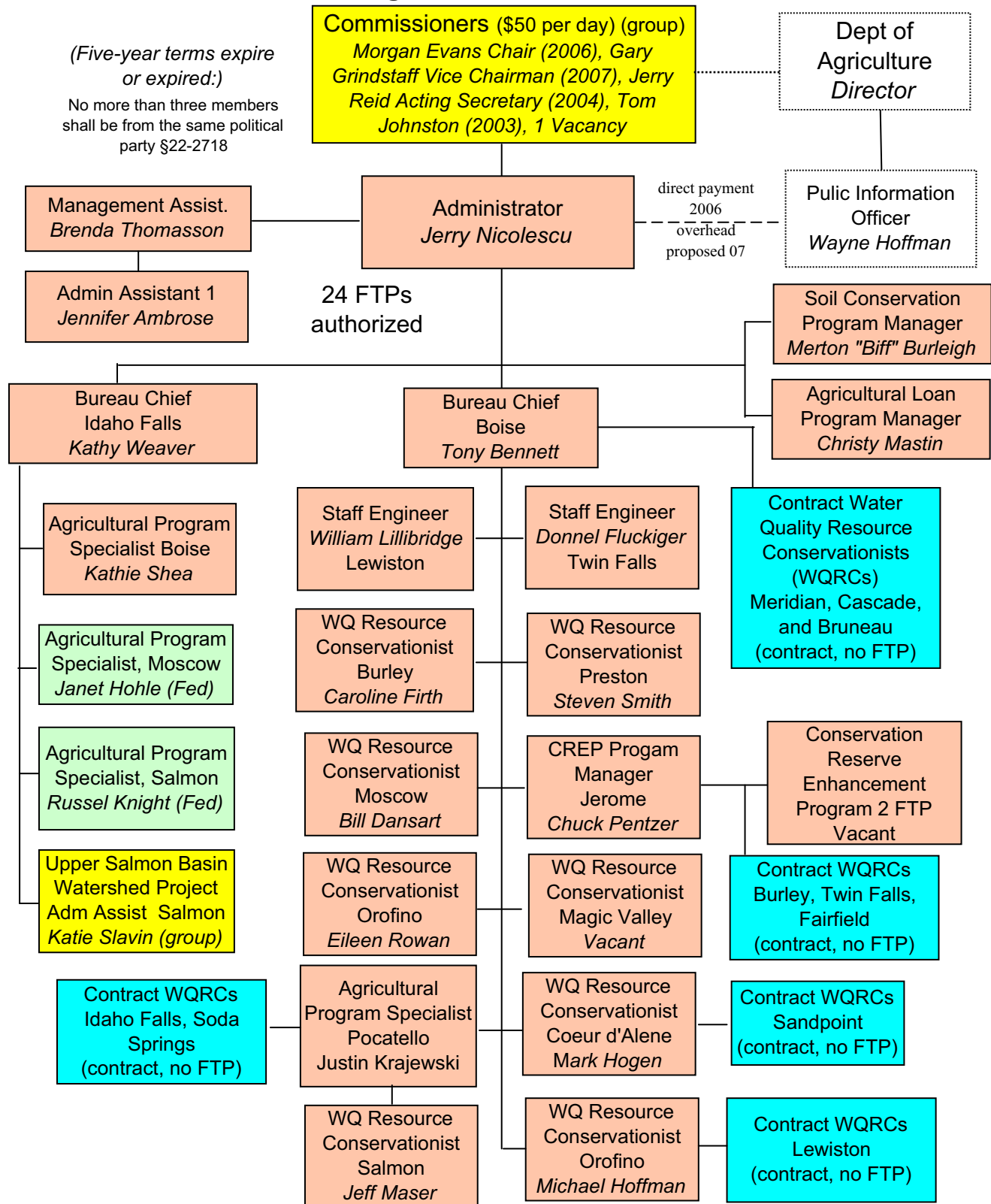
1. Improve the capabilities of the 51 SCDs by providing assistance to SCD elected officials in developing meaningful conservation programs and treatment measures.
2. Provide oversight and leadership to the commission staff enabling the organization to meet federal mandates, state program goals and local district natural resource priorities.
3. Improve the quality of surface and groundwater resources through implementation of local agricultural water quality projects and through application of best management practices.
4. Reduce soil erosion through state and local information programs for farmers and ranchers.
5. Provide soils information essential for all land management activities through participation in the national Cooperative Soil Survey.
6. Provide loans and grants for soil and water conservation projects through the Resource Conservation and Rangeland Development Fund.

Soil Conservation Commission

Agency Profile

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Organizational Chart ⁽¹⁾



Soil Conservation Commission

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Agency Profile

Strategic Planning and Coordination §67-1901

Core Functions (Targeted Performance Measures for each Function are available upon request)

1. Provide technical assistance in cooperation with USDA Natural Resource Conservation Service.
2. Provide administrative support and leadership to staff and districts.
3. Provide financial planning review, implementation, and guidance to the Commission and districts.
4. Provide personnel management support and leadership to Commission members and staff.
5. Provide assistance to districts in becoming proficient in recognizing their roles, accomplishing their responsibilities, and exercising their powers.
6. Implement processes for financial integrity, accounting, and protection of assets.
7. Provide district personnel guidance and assistance.
8. Improve the effectiveness of Commission staff addressing water quality issues through training, coordination, staffing plans, financial development, and strategic planning.
9. Strengthen Commission and District capacity to achieve state and local water quality goals and other major natural resource goals through identification and prioritization of concerns, securing needed resources, providing oversight and accountability, and identifying appropriate state and federal programs.
10. Enhance interagency relationships and coordination efforts to integrate multiple programs by discussion and cooperative training.
11. Enhance water quality programs information and education support through dissemination of policy, guidance and interagency program integration.
12. Strengthen water quality monitoring and evaluation efforts.
13. Soil survey state and private acres.
14. Provide complete modern soil surveys for all counties in Idaho.
15. Administer program providing long term, low interest loans for conservation improvements.
16. Provide grant funding for innovative projects improving range or riparian areas.

Resource Conservation & Rangeland Develop. Fund (0522)	FY 2004 Act	FY 2005 Act	FY 2006 Est	FY 2007 Est
Beginning Free Fund Balance	\$1,949,000	\$2,608,700	\$2,946,400	\$2,101,600
Loan Principal Repaid	1,267,900	1,219,500	850,000	900,000
Loan Interest	312,700	307,300	200,000	350,000
State Treasurer Interest from pooled funds	45,100	66,100	55,000	50,000
Miscellaneous Receipts	0	500	800	800
Total Available for Year	3,574,700	4,202,100	4,052,200	3,402,400
Transfer out for loans	925,400	1,184,600	1,900,000	2,200,000
Cash Expenditures for Administration	40,600	71,100	50,600	101,600
Ending Free Fund Balance	\$2,608,700	\$2,946,400	\$2,101,600	\$1,100,800
Outstanding Loans:	\$5.5 million	\$5,476,000	\$6,425,000	\$7,525,000

Sources: Principal repayments and loan interest. Prior to 2001, this fund received revenues from the estate tax.

Uses: Loans for conservation improvements and water quality enhancement.

Clean Water State Revolving (CWSRF) - SCC Fund (0529)	FY 2004 Act	FY 2005 Act	FY 2006 Est	FY 2007 Est
Beginning Free Fund Balance	\$0	\$13,400	\$42,000	\$37,000
Loan Principal Repaid	31,600	46,200	150,000	150,000
Loan Interest	27,800	98,000	150,000	150,000
Total Available for Year	59,400	157,600	342,000	337,000
Transfer to DEQ for Principal & Interest Payments	45,500	114,900	225,000	225,000
Cash Expenditures for Overhead Costs	500	700	80,000	80,000
Ending Free Fund Balance	\$13,400	\$42,000	\$37,000	\$32,000
Outstanding Loans:	\$1.1 million	\$1,067,000	\$1,128,800	\$2,788,000

Sources: An agreement with DEQ to use a portion of the CWSRF. Part of the loan interest.

Uses: Loans to address wastewater runoff, nutrient discharge, and water quality enhancement.

Soil Conservation Commission

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2006 Original Appropriation	24.00	4,183,200	4,859,900	24.00	4,183,200	4,859,900
HB 395 One-time 1% Salary Increase	0.00	10,700	11,700	0.00	10,700	11,700
Omnibus CEC Supplemental	0.00	0	0	0.00	12,200	13,800
FY 2006 Total Appropriation	24.00	4,193,900	4,871,600	24.00	4,206,100	4,885,400
Removal of One-Time Expenditures	0.00	(10,700)	(59,600)	0.00	(10,700)	(59,600)
FY 2007 Base	24.00	4,183,200	4,812,000	24.00	4,195,400	4,825,800
Benefit Costs	0.00	17,600	19,900	0.00	(23,800)	(27,100)
Inflationary Adjustments	0.00	52,500	59,500	0.00	52,500	59,500
Replacement Items	0.00	162,500	162,500	0.00	0	72,500
Change in Employee Compensation	0.00	10,600	12,000	0.00	19,600	22,200
FY 2007 Program Maintenance	24.00	4,426,400	5,065,900	24.00	4,243,700	4,952,900
1. Match District Funds	0.00	232,000	232,000	0.00	0	0
2. Carbon Sequestration	0.00	20,000	20,000	0.00	20,000	20,000
3. Administrative Overhead Charges	0.00	0	50,000	0.00	(20,000)	30,000
FY 2007 Total	24.00	4,678,400	5,367,900	24.00	4,243,700	5,002,900
Change from Original Appropriation	0.00	495,200	508,000	0.00	60,500	143,000
% Change from Original Appropriation		11.8%	10.5%		1.4%	2.9%

Soil Conservation Commission

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation	24.00	4,183,200	172,000	504,700	4,859,900

HB 395 One-time 1% Salary Increase

Reflects a one-time 1% Change in Employee Compensation (CEC) increase.

Agency Request	0.00	10,700	0	1,000	11,700
Governor's Recommendation	0.00	10,700	0	1,000	11,700

Omnibus CEC Supplemental

Agency Request	0.00	0	0	0	0
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The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.

Governor's Recommendation	0.00	12,200	0	1,600	13,800
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FY 2006 Total Appropriation					
Agency Request	24.00	4,193,900	172,000	505,700	4,871,600
Governor's Recommendation	24.00	4,206,100	172,000	507,300	4,885,400

Removal of One-Time Expenditures

Removes funding providing for HB395 and the 27th pay period. No other one-time funding was provided last session.

Agency Request	0.00	(10,700)	(41,400)	(7,500)	(59,600)
Governor's Recommendation	0.00	(10,700)	(41,400)	(7,500)	(59,600)

FY 2007 Base					
Agency Request	24.00	4,183,200	130,600	498,200	4,812,000
Governor's Recommendation	24.00	4,195,400	130,600	499,800	4,825,800

Benefit Costs

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.

Agency Request	0.00	17,600	0	2,300	19,900
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Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs. However, the change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.

Governor's Recommendation	0.00	(23,800)	0	(3,300)	(27,100)
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Inflationary Adjustments

Includes a general inflationary increase of 1.9% in operating expenditures and trustee/benefit payments.

Agency Request	0.00	52,500	1,000	6,000	59,500
Governor's Recommendation	0.00	52,500	1,000	6,000	59,500

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Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
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Replacement Items

Requested funding for replacement items includes: \$143,000 to replace seven vehicles, \$7,500 to replace three desktop computers, and \$12,000 to replace four notebook computers. Vehicles to be replaced are: 1) 1993 Crown Victoria with 146,276 miles; 2) 1995 Ford 1/2 ton 4x4 pickup with 105,721 miles; 3) 1990 GMC 1/2 ton 4x4 pickup with 102,195 miles; 4) 1988 Chevrolet 1/2 ton 4x4 pickup with 130,677 miles; 5) 1988 Chevrolet 1/2 ton 4x4 pickup with 135,048 miles; 6) 1988 Chevrolet 1/2 ton 4x4 pickup with 112,186 miles; and 7) 1999 Jeep Cherokee 4WD with 111,882 miles.

Agency Request	0.00	162,500	0	0	162,500
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The Governor recommends from the Economic Recovery Reserve Fund, \$60,000 for three vehicles, \$4,500 for three desktop computers, and \$8,000 for four laptop computers

Governor's Recommendation	0.00	0	72,500	0	72,500
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Change in Employee Compensation

Calculated cost of a 1% salary increase for permanent and group positions.

Agency Request	0.00	10,600	0	1,400	12,000
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Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.

Governor's Recommendation	0.00	19,600	0	2,600	22,200
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FY 2007 Program Maintenance

Agency Request	24.00	4,426,400	131,600	507,900	5,065,900
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Governor's Recommendation	24.00	4,243,700	204,100	505,100	4,952,900
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1. Match District Funds

Pursuant to section 22-2727, Idaho Code, funds appropriated to the Idaho Soil Conservation Commission for distribution to soil conservation districts shall first be allocated equally to the districts in a sum not to exceed \$5,000 per district (first \$255,000). Additional state monies appropriated for support of the districts are allowed up to two state dollars for each local dollar received. Districts are currently providing \$327,700 and receiving only another \$425,000 or 67% of the \$655,400 state match allowed by statute. This request would bring that match to twice the local funding commitment.

Agency Request	0.00	232,000	0	0	232,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Carbon Sequestration

SB 1379 of 2002 created a sixteen member Carbon Sequestration Advisory Committee. Membership is appointed by the Governor and includes 1) the chairman of the soil conservation commission, 2) the director of the department of agriculture, 3) the director of the department of environmental quality, 4) the director of the department of lands, 5) one member representing the University of Idaho college of Agriculture, 6) one member representing entity generating electricity, 7-8) two field crop producers, 9-10) two livestock producers, 11) one expert in carbon sequestration marketing trading, 12) one representing soil conservation districts, 13) one representing biofuels industry, 14) one representing transportation industry, 15) one representing a conservation organization, and 16) one representing non-industrial private forest landowners. The law provides for compensation of lodging, meals, and mileage expenses of the members. It also requires the Soil Conservation Commission (SCC) to provide assistance to the Committee. The request is based on the costs of three meetings per year. Currently, this financial support is taken directly from the SCC's existing operating budget, creating shortfalls in other areas. [Ongoing]

Agency Request	0.00	20,000	0	0	20,000
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Governor's Recommendation	0.00	20,000	0	0	20,000
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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3. Administrative Overhead Charges

The Soil Conservation Commission (SCC) contributes to the shared costs for legal, fiscal, and human resource expertise provided by the department to all divisions. The SCC has been paying about \$40,600 for these overhead costs since FY 1998 when the Commission was moved from the Department of Lands to the Department of Agriculture. The SCC has been paying an additional \$22,200 for Public Information Officer (PIO) services. As the department's costs increase so should the SCC's appropriate share of those costs. The department's cost allocation methodology is based on accounting transactions, personnel transactions, and hours of legal work performed which equates to roughly 2% of program revenues. Taking into account that PIO services will now be allocated through overhead, the analysis indicates that SCC should be paying about \$90,600 per year. The SCC requests that the \$22,200 General Fund shift of PIO costs be retained in the base and that interest collected from loans of the Resource Conservation and Development Fund be used to cover the overhead charges. [Ongoing]

Agency Request	0.00	0	50,000	0	50,000
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The Governor recommends removing the General Fund personnel cost savings generated.

Governor's Recommendation	0.00	(20,000)	50,000	0	30,000
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FY 2007 Total

Agency Request	24.00	4,678,400	181,600	507,900	5,367,900
Governor's Recommendation	24.00	4,243,700	254,100	505,100	5,002,900

Agency Request

Change from Original App	0.00	495,200	9,600	3,200	508,000
% Change from Original App	0.0%	11.8%	5.6%	0.6%	10.5%

Governor's Recommendation

Change from Original App	0.00	60,500	82,100	400	143,000
% Change from Original App	0.0%	1.4%	47.7%	0.1%	2.9%